

**Bosch Testimony**  
**Michigan SBT Reform**  
**June 1, 2005**

Good morning Chairman Sheen and Chairwoman Cassis. My name is Norman Johnson, and I work as director of external affairs for Robert Bosch Corporation, located at 38000 Hills Tech Drive in Farmington Hills.

I would like to thank you and the rest of the members of House Tax Policy and Senate Finance Committees for holding today's hearing on this most important topic, reform of Michigan's Single Business Tax structure.

I know you have already heard in detail how Michigan's business tax structure penalizes capital investment in this state – capital investment that fuels our economy and keeps Michigan residents employed innovating, engineering and manufacturing products that are sold throughout the world.

Rather than provide you with even more details, I am here simply to express Bosch's support for the governor's SBT reform proposal.

Here in Michigan, Bosch is hoping to gain corporate approval to begin building a new engineering center in Plymouth Township later this year. Our chances for approval are best if the economy is growing and our customers are investing in this state.

At the same time, we are hoping to hire highly educated Michigan residents to work in this potential new facility. Therefore we believe any tax reform must not only entice investment, it must also protect education and training of the state's workforce.

From our perspective, the governor's proposal will help accomplish these objectives.

Thank you for your time. Again, we very much appreciate your attention to tax reform in Michigan.